



INVESTMENT REPORT

Preliminary Report (gross of fees & certain income accruals)

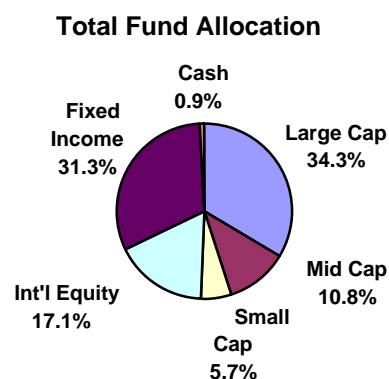
June 30, 2008

Current Value of the Fund	\$	1,118,830,071
Investment Change in Market Value FYTD	\$	(25,910,894)
Net Contributions FYTD	\$	11,195,616
Fiscal Year-to-Date Returns		-2.3%
Month-to-Date Returns		-5.1%

<u>Jun-08</u>		<u>Fiscal Year to Date</u>		<u>Last Three Years</u>	
Total Fund	-5.1%	Total Fund	-2.3%	Total Fund	8.1%
Benchmark	-5.8%	Benchmark	-6.6%	Benchmark	5.8%
U.S Equity	-7.8%	U.S Equity	-9.7%	U.S Equity	6.8%
Benchmark	-8.3%	Benchmark	-12.7%	Benchmark	4.7%
Int'l Equity	-4.3%	Int'l Equity	4.8%	Int'l Equity	18.9%
Benchmark	-8.2%	Benchmark	-10.6%	Benchmark	12.8%
Fixed Income	-0.1%	Fixed Income	8.0%	Fixed Income	4.3%
Benchmark	-0.1%	Benchmark	7.1%	Benchmark	4.1%

Asset Allocation

	<u>Mkt Value</u>	<u>% Alloc</u>
Domestic Equity	\$ 566.4	50.6%
Large Cap	\$ 377.5	33.7%
Mid Cap	\$ 125.1	11.2%
Small Cap	\$ 63.8	5.7%
Int'l Equity	\$ 191.3	17.1%
Fixed Income	\$ 350.7	31.3%
Cash	<u>\$ 10.4</u>	<u>0.9%</u>
Total Fund	\$ 1,118.8	100.0%

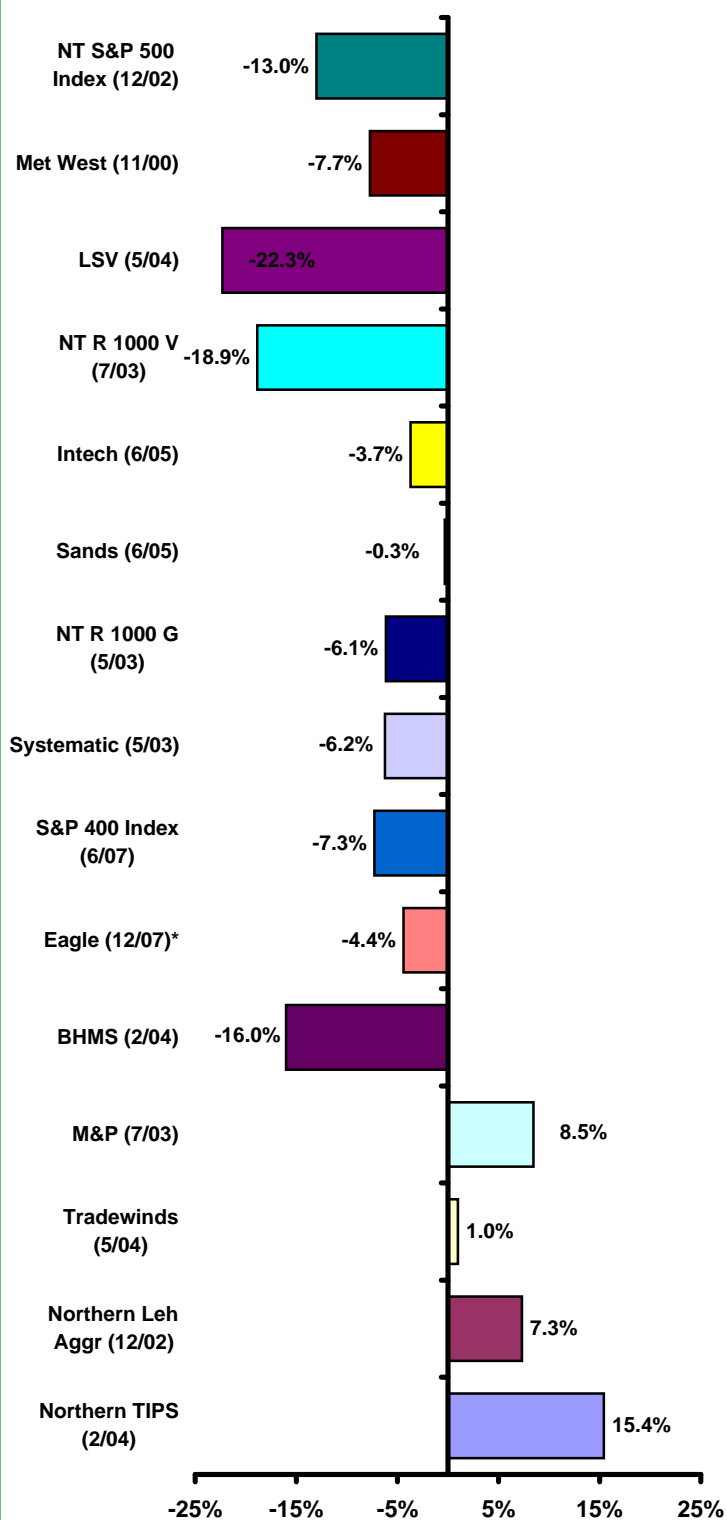


Endowment Fund Staff Comment:

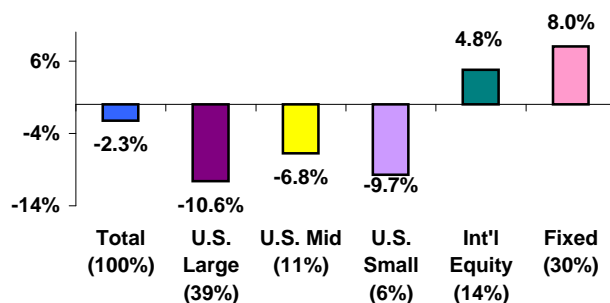
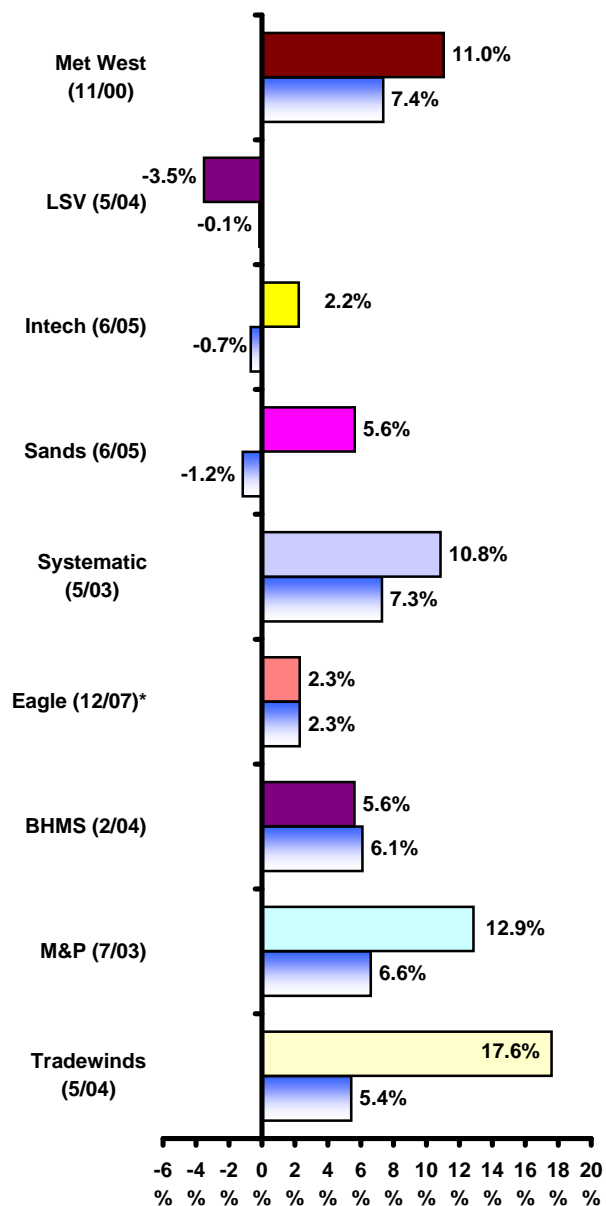
June was a tough month for global markets with the Russell 3000 and the MSCI EAFE off over 8%. Growth outperformed value and small and mid cap outperformed large cap. Bonds, as measured by the Lehman Aggregate index, were off 0.08%. TIPS had another good month, up 1.5%. For the month of June the fund was 0.7% ahead of its benchmark with a return of -5.1%. Six of nine active managers beat their benchmark.

On a fiscal year to date basis, the total fund was off 2.3%, 4.3% over benchmark. Eight out of nine active managers are ahead of their benchmark. Due in part to the flight to quality and inflation fears, TIPS were the best performing asset class this fiscal year with a 15.4% return.

FYTD Manager Returns



Fiscal YTD Total Returns

FYTD Active Manager Relative Returns
3-Yr. Annualized Relative Returns*

* Inception to Date used when manager lacks a 3 yr. return